

BUSINESS LINES

BUILDING OCCUPANCY BUSINESS LINE

Service Description

The core services in the Building Occupancy Business Line include space management, utilities such as heat and electricity, cleaning services, snow removal, facility operation and preventive and restorative maintenance, pest control, trash removal, and waste recycling. Engineering and facilities services provided are drafting of construction documents, developing scopes of work, construction management and inspection, value engineering, lease-hold administration, lock repair and key management, safety and occupational health, moving services, and conference support. For more information, customers are invited to the Headquarters Building Services home page at <http://www.ma.mbe.doe.gov/admin/BuildingService.htm>.

Pricing Policy

Board Adopted Policy

There are four components to the Board policy:

- 1) On a building-by-building basis, direct rental value of the space assigned to each organization is calculated, based on the actual rent charged to the Department by the General Services Administration (GSA). Customer rent costs are based on areas expected to be assigned to each organization on October 1 of the Fiscal Year.
- 2) Then the common use space costs in each building are divided among the tenants of that building based on their proportional shares of direct rent costs.
- 3) Certain additional costs, such as common area alterations, health and life safety programs, and infrastructure improvements are allocated as a prorata addition to the building-by-building charges described above.
- 4) In addition to the forgoing space rental charges, customers may ask for and be billed for extra services such as alternations that are not part of a common improvement program or special heating or air conditioning charges associated with extended hours or weekend operation.

Billing Practice

At the beginning of the fiscal year, the actual assigned space is determined for each organization. The rent for this space is calculated along with that of vacant and common space within each building. Each organization is provided with an occupancy agreement which shows the amount of each category of space (office, storage, ADP, etc), the cost for that type of space, and their prorata share of the building's common space. The occupancy agreement also includes the

organization's prorata share of cost for engineering and facilities services, infrastructure improvements and audio-visual services. Copies of the rent charts and floor plans are available upon request.

Billing Cycle

The final figure is billed to each organization in four quarterly installments (October, January, April, and July). Adjustments such as costs for additional rent, overtime heating, ventilation, and air conditioning and tenant alterations are billed at the end of the monthly billing cycle as soon as possible after the costs are incurred.

Budget Estimating Method

The budget for upcoming years is determined by using historical information such as the costs for utilities as well as the information provided by the GSA as to the anticipated rent for future years. An inflation factor is used for anticipated contract and service projections when historical information is limited. Projections of how much space an organization will be assigned in future years is based on information from the organization as to whether they anticipate releasing space or acquiring additional space, as well as historical information, space availability, and Departmental objectives. The estimates are based on our best information at the time.

Business Line Objectives: Balanced Scorecard

Objectives for this business are in the format of a balanced scorecard.

- **Customers:** Improve customer satisfaction
- **Financials:** Reduce cost per person
- **Internal Processes:** Operate and maintain equipment and systems in a manner that will provide for orderly operations of the Department, be environmentally responsible, and ensure preservation of the Government's real property assets.
- **Learning and Growth:** Improve knowledge, skills and abilities of business line staff in support of business systems and business line mission

For more information on these objectives and business line performance measures please go to www.ma.mbe.doe.gov/wcf and view the Building Occupancy Business Line Five-year Plan.

Service Standards

- 1) Maintenance services will be provided within 24 hours (three hours in an emergency).
- 2) Installation and removal of telephone and electrical receptacles, artwork, visual boards, and clocks will be completed within 10 days.
- 3) Alterations costing less than \$2,000 will be completed in the following phases: design (one to seven days), procurement (two to three days), and construction (one to seven days). This does not include organizational review time.
- 4) Alterations costing less than \$25,000 (but more than \$2,000) will be completed in the following phases and time frames: design (eight to 30 days), procurement (six weeks), and construction (seven to 30 days). This does not include organizational review time.

- 5) Alterations costing less than \$100,000 (but more than \$25,000) will be completed in the following phases and time frames: design (30 to 90 days), procurement (eight weeks), and construction (90 to 120 days or possibly longer depending on the scope of work).
- 6) Alterations costing more than \$100,000 will be completed in the following phases and time frames: design (60 to 180 days), procurement (90 to 120 days), and construction (120 to 180 days or possibly longer depending on scope of work).
- 7) All Headquarters-related safety and health complaints will be investigated within 24 hours of receipt of complaint call. Imminent danger situations will be investigated immediately.
- 8) An annual safety and health survey (walk through) will be conducted of all high-hazard areas. A questionnaire may be used in lieu of a walk-through for low-hazard (office) spaces.
- 9) Fire drills will be conducted at least annually in each building. Fire drills may be as frequently as quarterly; however, if quarterly drills are conducted, only two will be whole building evacuations.
- 10) Warden/Monitor training will be conducted at least annually.

Management Flexibility

The customer has the flexibility to request additional space or release space based on programmatic activities. Space must be acquired or released in useable allotments, be accessible from a corridor, and separated (with minimal construction) from adjacent space. For example, we cannot accept for release, an internal 150 square foot office as this is not space that can be used nor is it directly accessible by another organization.

If an organization requests additional space, the request will be filled based on the availability of vacant space or leased space through the GSA. Federal law prohibits organizations from procuring external leased space for federal employees. The requesting organization will be responsible for the tenant alterations costs. If one organization is displacing another, the displacing organization will be responsible for the standard level costs for the organization being displaced as well as all the costs to relocate themselves.

When an organization releases space, it becomes vacant (common) space unless another organization is willing to backfill ("sublease") that space. No changes in rent charges are made until the first of the following fiscal year, unless the backfilling organization agrees to pay for the space occupied. Then the vacating organization can be credited. If an agreement is reached, only the rent for this space will be used for the within year charges/credits; no adjustments for common space or other engineering and facilities charges will be made.

Points of Contact

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FREQUENTLY ASKED QUESTIONS ABOUT THE BUILDING OCCUPANCY BUSINESS LINE

- Q. Is the building occupancy rent amount set only at the beginning of each fiscal year, or will adjustments be allowed during the year as additional space is occupied or vacated?
- A. The building occupancy rent amount is set on October 1 of the fiscal year. Adjustments may be made as organizations request above standard services such as space alterations or overtime heating, ventilation, and air conditioning. There could also be a credit at the end of the fiscal year (or beginning of the subsequent fiscal year) if the savings are greater than expected during a year. The decision to credit the organizations would be made by the Working Capital Fund Board based on recommendations from the Working Group and the Business Line Manager.
- Q. How can my office save money on space rental costs for this Fiscal Year and for out years?
- A. The best way to save money on space rental costs is to consolidate within existing space or request space into which the organization or office can be consolidated. Archiving or properly disposing of files can help to reduce the amount of storage space or valuable office space needed. Releasing space during a fiscal year will save on future fiscal year rent bills. If you can arrange for a "sublease" to another organization as described under Management Flexibility you will be able to save rent charges in the current fiscal year
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